

No. of Copies rec'd 2  
List ABOVE

No. of Copies rec'd 2  
List ABOVE

This check is GREEN

**WILEY REIN & FIELDING LLP**

1776 K Street, N.W.

Washington, DC

**Operating Account**

**149092**

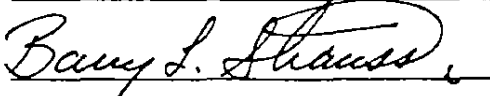
Date	Amount
04/09/2002	*****815.00

**Pay** Eight Hundred Fifteen and 00/100 Dollars ONLY

**To the  
Order of**

FCC

Bank of America, N.A.  
Washington, DC

  
(Two Signatures Required For Amounts Over \$1,000.00)

⑈ 149092 ⑈ ⑆ 054001204 ⑆ ⑈ 000003702987 ⑈

Attached is our check in full settlement of items shown herein. If not correct, please return with explanation or call us at (202)719-7312.

**No. 149092**

**Check Date 04/09/2002**

Description	Date	Invoice No.	Amount of Invoice	Discount	Net
FCC FILING FEE	04/09/2002		815.00	.00	815.00
				<b>Total</b>	<b>815.00</b>

Remittance Advice  
Detach before depositing

**WILEY REIN & FIELDING LLP**  
**Operating Account**

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

	)	
In the Matter of	)	
	)	
<b>BELL ATLANTIC NEW ZEALAND HOLDINGS, INC.</b>	)	File No. _____
	)	
And	)	
	)	
<b>PACIFIC TELECOM INC.</b>	)	
	)	
Application for Approval to Transfer Control of	)	
GTE Pacifica Inc. and	)	
Micronesian Telecommunications Corporation,	)	
Holding Blanket Domestic 214 Authorization	)	
Under Section <b>214</b>	)	
of the Communications Act of 1934, as Amended,	)	
to Pacific Telecom Inc.	)	

**JOINT APPLICATION FOR TRANSFER OF CONTROL**  
**OF DOMESTIC 214 AUTHORITY**

Bell Atlantic New Zealand Holdings, Inc. (“BANZHI” or “Transferor”) and Pacific Telecom Inc. (“Pacific Telecom” or “Transferee”) (collectively “the Applicants”), by their undersigned counsel, and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § **214** (the “Act”), Section 63.01 of the Commission’s Rules, 47 C.F.R. § 63.01, and the Commission’s *July 20, 2001 Public Notice* regarding Section 214 authorization for acquisitions of corporate control,<sup>1</sup> hereby request authority to transfer control of GTE Pacifica Inc. (“GTE Pacifica”) and Micronesian Telecommunications Corporation (“MTC” or “parent company”) (collectively “Licensees”), each a holder of blanket domestic interstate **214**

---

<sup>1</sup> See *Common Carrier Bureau Announces Procedures for Applicants Requiring Section 214 Authorization for Acquisitions of Corporate Control*, Public Notice, DA 01-1654 (rel. July 20, 2001) (“*July 20, 2001, Public Notice*”).

authorization, from BANZHI to Pacific Telecom. As described below, and pursuant to grant of this Application, Pacific Telecom will acquire 100% of the outstanding capital stock of MTC, the sole shareholder of GTE Pacifica, thus effecting a transfer of control of Licensees from BANZHI to Pacific Telecom.<sup>2</sup>

Pursuant to the Commission's *July 20, 2001 Public Notice*, and its *January 17, 2002 Public Notice*,<sup>3</sup> the Applicants set forth the following information in support of this Application:

## **I. THE PARTIES**

### **A. BANZHI, MTC, and GTE Pacifica**

Verizon Communications Inc. ("Verizon"), through a series of wholly owned subsidiaries, owns 100% of the outstanding common stock of BANZHI, a corporation organized under the laws of Delaware. BANZHI is the current shareholder of MTC, the parent corporation of GTE Pacifica. MTC, as the incumbent local exchange carrier, provides interstate exchange access services in the Commonwealth of the Northern Mariana Islands ("CNMI"), and thus holds a blanket domestic Section 214 authorization pursuant to Section 63.01 of the Commission's rules. GTE Pacifica, a wholly owned subsidiary of MTC, is a separate entity that provides

---

<sup>2</sup> Simultaneous with this Application, BANZHI and Pacific Telecom are filing applications to transfer control of two international Section 214 authorizations, a cable landing license, two earth station licenses and a cellular license held by GTE Pacifica. A list of all licenses and authorizations being transferred is attached hereto. Pacific Telecom has also separately requested authority to exceed the 25 percent indirect foreign ownership limitation of Section 310(b)(4) of the Act.

<sup>3</sup> See *Common Carrier Bureau Issue Reminder to Providers of Domestic Telecommunications Services to Request Authorization Under Section 214 Prior to Engaging in a Transfer of Corporate Control*, Public Notice, CC Docket No. 01-150, DA 02-162 (rel. Jan. 17, 2002) (reminding the public that the July 20, 2001 public notice describes the appropriate content for domestic interstate applications for transfers of control by domestic interstate common carriers, and stating that applications that do not comport with the Common Carrier Bureau's July 20, 2001 public notice may not be acceptable for filing) ("*January 17, 2002 Public Notice*"). Applicants note that the Commission recently adopted significant changes to its procedures and filing requirements for the transfer of control/assignment of domestic Section 214 authorizations, which may become effective while Commission action on this application is pending. The information required under the new rules is substantially provided herein. See *Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Report and Order*, CC Docket No. 01-150, FCC 02-78, ¶ 16 and App. B. (to be codified at 47 C.F.R. §63.04) ("*Streamlining Report and Order*").

competitive interexchange service in the CNMI and Guam, and also holds blanket domestic interstate Section 214 authorization pursuant to Section 63.01 of the Commission's rules.

**B. Pacific Telecom**

Pacific Telecom is a privately held corporation incorporated under the laws of the CNMI. Pacific Telecom does not currently provide domestic communications services or hold any Section 214 authorization.

**II. DESCRIPTION OF THE TRANSACTION**

By this Application, BANZHI and Pacific Telecom seek Commission approval for a direct transfer of control of MTC and an indirect transfer of control of GTE Pacifica, which will result from a capital stock acquisition of the current shareholder and parent company of GTE Pacifica, MTC. Specifically, Pacific Telecom will acquire 100% of the outstanding capital stock of MTC from BANZHI, the current shareholder of MTC. BANZHI is indirectly owned and controlled by Verizon through a series of wholly owned subsidiaries. The proposed transaction will result in a direct transfer of control of domestic Section 214 authorization holder MTC and, in turn, will result in an indirect transfer of control of domestic Section 214 authorization holder GTE Pacifica, from BANZHI to Pacific Telecom. Thus, upon consummation of the transaction, Pacific Telecom directly will own 100% of the equity and voting interests in MTC and indirectly will own 100% of the equity and voting interests in GTE Pacifica. Post-consummation, MTC and GTE Pacifica will continue to offer the services currently offered to customers under existing service arrangements.

After completion of this transaction, the following persons or entities will hold a ten percent (10%) or greater ownership interest in GTE Pacifica:

Name:	The Micronesian Telecommunications Corporation
Address:	P.O. Box 500306

Citizenship: Saipan, **MP** 96950  
USA/CNMI Corporation  
Percentage Held: 100% equity  
Principal Business: Communications Investment and Telecommunications Services

The following person will hold a ten percent (10%) or greater ownership interest in MTC.

Name: Pacific Telecom Inc.  
c/o Colin M. Thompson  
Address: P.O. Box 501280  
Saipan, **MP** 96950  
Citizenship: USA/CNMI Corporation  
Percentage Held: 100%  
Principal Business: Communications Investment

The following persons or entities will hold **a** direct ownership interest in Pacific Telecom and **a** ten percent (10%) or greater indirect ownership interest in GTE Pacifica and MTC upon consummation of the proposed transaction.

Name: Prospector Investment Holdings Inc.  
Address: c/o Trident Trust (Cayman) Ltd.  
One Capital Place  
PO **Box** 847  
Grand Cayman, B.W.I.  
Percentage Held: 50% equity  
Citizenship: U.K./Cayman Island Corporation  
Principal Business: Communications Investment

Name: THC Communications Corporation  
Address: P.O. Box 501280  
Saipan, **MP** 96950  
Percentage Held: 30% equity  
Citizenship: USNCNMI Corporation  
Principal Business: Communications Investment

Name: Missouri Holdings Corporation  
Address: P.O. Box 712  
Saipan, **MP** 96950  
Percentage Held: **20%** equity  
Citizenship: USNCNMI Corporation  
Principal Business: Communications Investment

The following persons or entities will hold an indirect ownership interest in Pacific Telecom and a ten percent (10%) or greater indirect ownership interest in GTE Pacifica and MTC upon consummation **of the** proposed transaction.

Name: Jose Ricardo Delgado  
 Address: 4/F SGV II Building  
 6758 Ayala **Avenue**  
 Makati City, Philippines  
 Percentage Held: 20% equity  
 Citizenship: Philippines  
 Principal Business: Individual

Name: Ricardo C. Delgado  
 Address: 4/F SGV II Building  
 6758 Ayala **Avenue**  
 Makati City, Philippines  
 Percentage Held: 30% equity  
 Citizenship: Philippines  
 Principal Business: Individual

Name: Tan Holdings Corporation  
 Address: P.O. Box 501280  
 Saipan, MP 96950  
 Percentage Held: 30% equity  
 Citizenship: U.S.A./C.N.M.I. Corporation  
 Principal Business: Communications Investment

Name: Siu Lin Tan (Trustee and beneficiary of various Tan Family trusts)  
 Address: P.O. Box 501280  
 Saipan, MP 96950  
 Percentage Held: 30% equity  
 Citizenship: U.S.A./C.N.M.I.  
 Principal Business: Trust/Communications Investment

Name: Michael Leung  
 Address: P.O. Box 500712  
 Saipan, MP 96950  
 Percentage Held: 20% equity  
 Citizenship: Canada  
 Principal Business: Individual

111. **DESCRIPTION OF SERVICES THE PARTIES PROVIDE AND LOCATIONS WHERE THOSE SERVICES ARE PROVIDED**

GTE Pacifica Inc. provides a variety of competitive domestic long distance services, including inter-island communications between the CNMI and Guam and communications

between the CNMI and the continental **U.S.** MTC serves as the local exchange carrier in CNMI and provides competitive domestic interstate exchange access service in CNMI..

#### **IV. PUBLIC INTEREST STATEMENT**

Consummation of the proposed transaction is in the public interest. The Transferee's shareholders are companies with a strong presence in the Pacific region, giving them substantial community of interest with the CNMI, the territory served by GTE Pacifica. In particular, the principals of the transferee's fifty percent shareholder, Prospector Investment Holdings Inc., have substantial experience in building and operating a *telecommunications carrier* (since divested) in the Philippines. Additionally, indirect thirty percent shareholder, Tan Holdings Corporation, is a CNMI company that ~~is~~ the largest private employer and taxpayer in the CNMI. This aspect of local ownership will benefit GTE Pacifica and its customers. Moreover, as Transferee and its affiliates are not currently telecommunications carriers, the transaction results in no increase in concentration in the relevant markets.<sup>4</sup>

#### **V. CERTIFICATION PURSUANT TO RULES 1.2001-1.2003**

As evidenced by the signatures of the parties to this Application, no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988 (21 U.S.C. § 853(a)).

#### **VI. CORRESPONDENCE CONCERNING THIS APPLICATION SHOULD BE SENT TO:**

For Bell Atlantic New Zealand Holdings, Inc.:

Peter D. Shields

---

<sup>4</sup> Indeed, the Commission has determined that such transactions *are* "unlikely to raise public interest concerns" and will be subject to the Commission's new streamlined processing rules. *See Streamlining Report and Order* ¶ 29; *see also id.* ¶ 33 ("transfer of incumbent LEC local exchange assets are unlikely to raise the potential of competitive harm").



Jennifer Hindin  
Wiley Rein & Fielding LLP  
1776 K Street, N.W.  
Washington, D.C. 20006  
Tel: (202) 719-7000  
Fax: (202) 719-7049

with copies to:

Stephen B. Heimann  
Associate General Counsel  
Verizon Communications Inc.  
1717 Arch Street, 32<sup>nd</sup> Floor  
Philadelphia, PA 19103  
Tel: (215) 963-6437  
Fax: (215) 963-9195

For Pacific Telecom Inc.:

Kenneth D. Patrich  
Timothy J. Cooney  
Wilkinson **Barker** Knauer, LLP  
2300 N Street, NW  
Suite 700  
Washington, DC 20037  
Tel: (202) 783-4141  
**Fax:** (202) 783-5851

with copies to:

Jose Ricardo Delgado  
Citadel Holdings, Inc.  
4/F SGV II Building  
6758 Ayala **Avenue**  
Makati City, Philippines  
Tel: (632) 812-7711  
Fax: (632) 812 7719

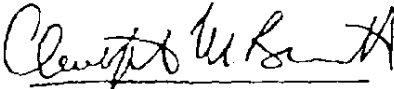
and:

Colin M. Thompson  
Pacific Telecom Inc.  
P.O. Box 501280  
Saipan, MP 96950  
Tel: (670) 322-2866  
**Fax:** (670) 322-4716

## **VII. CONCLUSION**

For the reasons stated herein, Bell Atlantic New Zealand Holdings, Inc. and Pacific Telecom Inc. respectfully submit that the public interest, convenience and necessity would be furthered by grant of this Application for consent to an indirect transfer of control of the blanket domestic interstate Section 214 authorization held by GTE Pacifica and direct transfer of control of the blanket domestic Section 214 Authorization held by MTC, to Pacific Telecom.

BELL ATLANTIC NEW ZEALAND  
HOLDINGS, INC.

By: 

Christopher M. Bennett  
General Counsel and Secretary  
Bell Atlantic New Zealand  
Holdings, Inc.  
1095 Avenue of the Americas,  
Rm. # 3828  
New York, NY 10036

Respectfully submitted,

PACIFIC TELECOM INC.

By: \_\_\_\_\_

George Chiu  
Director and Authorized  
Representative  
Pacific Telecom Inc.  
P.O. Box 501280  
Saipan, MP 96950

Dated: April 10, 2002

BELL ATLANTIC NEW ZEALAND  
HOLDINGS, INC.

By: \_\_\_\_\_

Christopher M. Bennett  
General Counsel and Secretary  
Bell Atlantic New Zealand  
Holdings, Inc.  
1095 Avenue of the Americas,  
Rm. # 3826  
New York, NY 10036

Respectfully submitted,

PACIFIC TELECOM INC.

By: \_\_\_\_\_

George Chiu  
Director and Authorized  
Representative  
Pacific Telecom, Inc.  
P.O.Box 501280  
Saipan, MP 56950

Dated: April 10, 2002

## **EXHIBIT 1**

### **FCC Authorizations Held by Micronesian Telecommunications Corporation and GTE Pacifica Inc.**

#### **International Section 214 Authorizations**

ITC-214-19970502-00247; ITC-ASG-19971211-00776; ITC-97-779-AL ITC-97-288	214 Authorization for Facilities-Based and Resale (Switched and Private Line Non-Interconnected and Interconnected where lawful), excluding the Dominican Republic and Venezuela (GTE Pacifica)
ITC-ASG-19971211-00778; ITC-97-778-AL	214 Authorization to Construct and Operate the MTC Interisland Cable System Between the Commonwealth of the Northern Mariana Islands and Guam Granted By ITC-92-140 [8 FCC Rcd 750 (1993)] (GTE Pacifica)

#### **Cable Landing License**

SCL-92-003-AL	Cable Landing License to Land and Operate the MTC Interisland Cable System Between the Commonwealth of the Northern Mariana Islands and Guam Granted by SCL-92-003 [8 FCC Rcd 750 (1993)] (GTE Pacifica)
---------------	--

#### **Earth Station Authorizations**

SES-LIC-20000414-00563; E000164	C-band transmit/receive earth station to provide digital voice/data services (GTE Pacifica)
SES-RWL-20001006-01900; Ka-34	C-band transmit/receive earth station to provide digital voice/data services (GTE Pacifica)

#### **Wireless Telecommunications Authorization**

KNKN616	Common Carrier Radio License for Cellular Radio Telephone Service (GTE Pacifica)
---------	--

#### **Domestic Section 214 Authorization**

Blanket Authorization	Domestic Interstate 214 Authorization for CNMI and Guam Inter-exchange Carrier Operations (GTE Pacifica)
Blanket Authorization	Domestic Interstate 214 Authorization for CNMI Local Exchange Carrier Operations (Micronesian Telecommunications Corporation)